

Title 4

State Offices and Administration

TITLE 4 STATE OFFICES AND ADMINISTRATION

IC 4-12

ARTICLE 12. APPROPRIATIONS MANAGEMENT

IC 4-12-1

Chapter 1. The Budget Agency

IC 4-12-1-14.3

Tobacco master settlement agreement fund; established

Sec. 14.3. (a) As used in this section, "master settlement agreement" has the meaning set forth in IC 24-3-3-6.

(b) There is hereby created the Indiana tobacco master settlement agreement fund for the purpose of depositing and distributing money received under the master settlement agreement. The fund consists of:

- (1) all money received by the state under the master settlement agreement;
- (2) appropriations made to the fund by the general assembly; and
- (3) grants, gifts, and donations intended for deposit in the fund.

(c) The fund shall be administered by the budget agency. Notwithstanding IC 5-13, the treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as money is invested by the public employees retirement fund under IC 5-10.3-5. The treasurer of state may contract with investment management professionals, investment advisors, and legal counsel to assist in the investment of the fund and may pay the state expenses incurred under those contracts from the fund. Interest that accrues from these investments shall be deposited in the fund. Money in the fund at the end of the state fiscal year does not revert to the state general fund.

(d) The state general fund is not liable for payment of a shortfall in expenditures, transfers, or distributions from the Indiana tobacco master settlement agreement fund or any other fund due to a delay, reduction, or cancellation of payments scheduled to be received by the state under the master settlement agreement. If such a shortfall occurs in any state fiscal year, the budget agency shall make the full transfer to the regional health facilities construction account and then reduce all remaining expenditures, transfers, and distributions affected by the shortfall.

As added by P.L.273-1999, SEC.232. Amended by P.L.21-2000, SEC.1; P.L.291-2001, SEC.52; P.L.224-2003, SEC.117.

IC 4-12-8

Chapter 8. Indiana Prescription Drug Account

IC 4-12-8.5

Chapter 8.5. Regional Health Care Construction Account

IC 4-12-8.5-3

Regional health care construction account; established

Sec. 3. (a) The regional health care construction account is established for the purpose of providing funding for state psychiatric hospitals and developmental centers, regional health centers, or other health facilities designed to provide crisis treatment, rehabilitation, or intervention for adults or children with mental illness, developmental disabilities, addictions, or other medical or rehabilitative needs. The account consists of:

- (1) amounts, if any, that any statute requires to be distributed to the account from the Indiana tobacco master settlement agreement fund;
- (2) appropriations to the account from other sources; and
- (3) grants, gifts, and donations intended for deposit in the account.

(b) The budget agency shall administer the account. Money in the account at the end of a state fiscal year does not revert to the state general fund but remains available for expenditure.

(c) Money in the account may be used for:

- (1) the construction, equipping, renovation, demolition, refurbishing, or alteration of existing or new state hospitals, regional health centers, or other health facilities; or
- (2) lease rentals to the state office building commission or other public or private providers of such facilities.

(d) Money in the account shall be used to pay any outstanding lease rentals before making any other payments from the account.

(e) Money in the account is annually appropriated for the purposes described in this chapter.

As added by P.L.291-2001, SEC.72. Amended by P.L.224-2003, SEC.118.

IC 4-15-2

Chapter 2. State Merit Employment

IC 4-15-2-2

Persons covered

Sec. 2. Except as provided in IC 4-15-1.8-7(d), all persons covered on January 1, 1966, by this chapter or coming under the provisions of this chapter after January 1, 1966, shall be eligible for, shall participate in, and shall receive the benefits of the public employees retirement program as provided by IC 5-10.2 and IC 5-10.3.

(Formerly: Acts 1941, c.139, s.1a; Acts 1965, c.286, s.1.) As amended by P.L.5-1984, SEC.66; P.L.224-2003, SEC.40.

IC 4-15-2-38

Sec. 38. If any employee in the state service shall willfully refuse or fail to appear before any court or judge, any legislative committee, or any officer, board or body authorized to conduct any hearing or inquiry, or having appeared shall refuse to testify or answer any question relating to the affairs or government of the state or the conduct of any state officer or employee on the ground that his testimony or answers would tend to incriminate him, or shall refuse to waive immunity from prosecution on account of any matter about which he may be asked to testify at any such hearing or inquiry, such refusal or failure shall be considered sufficient grounds for dismissal by the appointing authority.

(Formerly: Acts 1941, c.139, s.39.)

IC 4-15-10

Chapter 10. State Employees' Bill of Rights

IC 4-15-10-4

Sec. 4. (a) Any employee may report in writing the existence of:

- (1) a violation of a federal law or regulation;
- (2) a violation of a state law or rule;
- (3) a violation of an ordinance of a political subdivision (as defined in IC 36-1-2-13); or
- (4) the misuse of public resources;

first to a supervisor or appointing authority, unless the supervisor or appointing authority is the person whom the employee believes is committing the violation or misuse of public resources. In that case, the employee may report the violation or misuse of public resources in writing to either the supervisor or appointing authority or to the state ethics commission and any official or agency entitled to receive a report from the state ethics commission under IC 4-2-6-4(b)(2)(G) or IC 4-2-6-4(b)(2)(H). If a good faith effort is not made to correct the problem within a reasonable time, the employee may submit a written report of the incident to any person, agency, or organization.

(b) For having made a report under subsection (a), the employee making the report may not:

- (1) be dismissed from employment;
- (2) have salary increases or employment related benefits withheld;
- (3) be transferred or reassigned;
- (4) be denied a promotion the employee otherwise would have received; or
- (5) be demoted.

(c) Notwithstanding subsections (a) and (b), an employee must make a reasonable attempt to ascertain the correctness of any information to be furnished and may be subject to disciplinary actions for knowingly furnishing false information, including suspension or dismissal, as determined by the employee's

appointing authority or the appointing authority's designee. However, any state employee disciplined under this subsection is entitled to process an appeal of the disciplinary action under the procedure as set forth in IC 4-15-2-34 and IC 4-15-2-35.

(d) An employer who violates this section commits a Class A infraction.

As added by Acts 1981, P.L.36, SEC.2. Amended by P.L.17-1984, SEC.1; P.L.32-1987, SEC.1; P.L.5-1988, SEC.25; P.L.9-1990, SEC.11.

IC 4-15-12

Chapter 12. Affirmative Action Office

IC 4-15-12-1

Sec. 1. As used in this chapter:

"Affected class" means:

- (1) minorities;
- (2) women;
- (3) persons with disabilities; and
- (4) persons forty (40) years of age and older.

"Affirmative action policy" means the state's affirmative action policy established in section 2 of this chapter.

"Persons with disabilities" means all persons who by reason of physical or mental defect are unable to achieve full vocational participation.

"Minorities" means persons identified as Blacks, Native Americans, Asian Americans, and Hispanics.

"Office" means the Indiana affirmative action office created by this chapter.

"State agency" means any department, agency, commission, division, authority, board, bureau, or office of the state under the executive authority of the governor, except any state institution of postsecondary education.

"Underutilization" means having fewer members of an affected class in a particular job category and classification than would be reasonably expected by their availability in the labor market for that job category and classification.

As added by P.L.12-1983, SEC.11. Amended by P.L.23-1993, SEC.2.

IC 4-15-12-2

Sec. 2. The state is committed to an affirmative action policy that includes the establishment of employment policies and conditions that ensure the elimination of underutilization of qualified members of affected classes and the elimination of discrimination on the basis of race or color, religion, national origin or ancestry, age, sex, and disability.

As added by P.L.12-1983, SEC.11. Amended by P.L.23-1993, SEC.3.

ARTICLE 24. INSTITUTIONS.GENERAL

PROVISIONS

IC 4-24-1

Chapter 1. Compensation of Employees for Damages to Personal Property

IC 4-24-1-1

Sec. 1. The superintendent of any state penal or correctional institution or of any state institution (as defined by IC 12-7-2-184) may compensate any employee of the institution for damages to the personal property of the employee which damages occurred in the ordinary course of the employees' employment and which damages were in no way caused by the negligence of the employee.

(Formerly: Acts 1969, c.109, s.1.) As amended by P.L.24-1997, SEC.2.

IC 4-24-3

Chapter 3. Receipt and Use of Gifts and Bequests

IC 4-24-3-2

Sec. 2. Acceptance of any such gifts, bequests and devises of real or personal property, or both, may be made by the executive officers of the institution benefited; but the failure of such officers to make such acceptance at any time shall not invalidate or affect the gift, bequest, and devise, it being deemed that an acceptance has been made in the absence of a definite rejection. No special form of acceptance is necessary, and no gift of value in excess of five hundred dollars (\$500) shall be accepted by any institution named in section 1 or by the state for the use of such institution unless it be approved by the governor.
(Formerly: Acts 1945, c.177, s.2.)

IC 4-24-6**Chapter 6. Funds Belonging to Inmates and Patients.Recreation Fund Created****IC 4-24-6-1**

Sec. 1. As used in this chapter, the term "institution" shall mean psychiatric, penal, correctional, benevolent, or special educational institutions owned and operated by the state of Indiana.
(Formerly: Acts 1957, c.242, s.1; Acts 1963(ss), c.7, s.1.) As amended by P.L.5-1984, SEC.191.

IC 4-24-6-2

Sec. 2. (a) Subject to a designation of the specific purpose for the use of donated funds by a donor, the superintendent or warden of an institution shall hold in trust funds deposited with the institution for the use and benefit of, or belonging to, any inmate or patient.
(b) The superintendent or warden shall keep an accurate accounting of the receipts and disbursements of funds received under subsection (a) on books and records in accordance with the accounting procedure as prescribed by the state board of accounts.
(c) Trust funds created under this section are subject to periodic audits the state board of accounts considers necessary.
(d) Trust funds created under this section shall be:
(1) deposited in depositories whose deposits are insured by the Federal Deposit Insurance Corporation; or
(2) invested in government securities of the United States.
(Formerly: Acts 1957, c.242, s.2; Acts 1959, c.253, s.1.) As amended by P.L.8-1991, SEC.2.

IC 4-24-6-3

Sec. 3. The chief administrative officer of the department, division or state agency having administrative control and supervision of any institution shall make rules and regulations concerning the withdrawal of money held in trust for any patient or inmate, and concerning the deposit of any money to be held in trust for any patient or inmate. Upon the discharge or release of any patient or inmate, the superintendent or warden of the institution shall pay to the individual, or his legal guardian, all money due him from any trust account.
(Formerly: Acts 1957, c.242, s.3.)

IC 4-24-6-4

Sec. 4. (a) This section does not apply to a patient:
(1) in a state developmental center listed in IC 12-24-1-1; or
(2) in an institution listed in IC 12-24-1-3 if the patient is in a unit that is a Medicaid certified intermediate care facility for the mentally retarded.
(b) Any interest or income derived from the deposit or investment of funds held in trust for any patient or inmate shall be transferred from such trust fund to a special fund to be known as the "patients' recreation fund" or "inmates' recreation fund"; provided, that in the event a trust fund has been established in any institution, which trust fund is in existence on July 1, 1957, and there is a deficiency in the amount of money that properly belongs in such trust fund, the income derived from any trust fund established under the provisions of this chapter shall be paid into the trust fund until the deficiency has been fully paid.
(Formerly: Acts 1957, c.242, s.4.) As amended by P.L.5-1984, SEC.192; P.L.21-1996, SEC.1.

IC 4-24-6-5

Sec. 5. (a) If any inmate of any penal or correctional institution, or any patient of any psychiatric institution, shall die, his lawful heirs or devisees shall be entitled to any money credited to and held in trust for such inmate or patient. If the heirs or devisees of such inmate or patient are unknown, the money in such trust account shall be kept intact to the account of the unknown heirs of such inmate or patient for a period of two (2) years from the date of death. If, at the expiration of the two (2) year period, no heir or

devisee of any deceased inmate or patient shall appear to make claim to such money, such money shall be paid to the clerk of the circuit court of the county from which such inmate or patient was committed to said institution, said money to be held and disposed of by said clerk of court in the same manner as are other unclaimed funds in his office.

(b) If any inmate of a penal or correctional institution, or if any patient of a psychiatric hospital, shall escape from such institution, or shall make an escape while absent from such institution on parole or leave, any money credited to and held in trust for such inmate or patient shall be kept intact for such escaped inmate or patient for a period of two (2) years from the date of escape. If at the end of the two (2) year period the escaped inmate or patient does not appear to make claim to such money, the money shall be paid to the clerk of the circuit court of the county from which such inmate or patient was committed to said institution, said money to be held and disposed of by said clerk of court in the same manner as are other unclaimed funds in his office.

(c) No money belonging to any patient or inmate shall be paid over to the clerk of any court as provided in this section if such inmate or patient is indebted to the state of Indiana for maintenance by such institution, in which case any money credited on the books of such institution to the account of any inmate or patient shall be applied against any indebtedness or maintenance, and the balance, if any, shall then be paid to such clerk.

(d) Notwithstanding any other law, when the department of correction has determined that an offender has escaped from custody, the department of correction:

(1) may consider all of his property (except money) that is under the control of the department, to be abandoned property;

(2) may dispose of the escaped inmate's abandoned property consistent with rules adopted by the department under IC 4-22-2; and

(3) is not civilly liable for the safekeeping of the escaped inmate's property.

(Formerly: Acts 1957, c.242, s.5.) As amended by P.L.39-1983, SEC.1.

IC 4-24-6-6

Sec. 6. There is established in each psychiatric, benevolent, penal and correctional institution a fund to be known either as the "patients' recreation fund," "students' recreation fund" or as the "inmates' recreation fund." These funds shall be used, at the discretion of the superintendent or warden subject to the approval of the chief administrative officer of the department, division or state agency having administrative control and supervision over the institution, for the direct benefit of persons who are inmates or patients in such institutions, and shall not be used for any purposes which are covered by state appropriations: Provided, That such funds shall be expended for such purposes and in accordance with the policies of the department, division or state agency having administrative control over such institution. The expenditures may include, but shall not necessarily be limited to, purchased entertainment; magazine subscriptions for the libraries, wards or units of such institutions; special recreational equipment and supplies; special foods for parties or celebrations; phonograph records, televisions, radios, and similar items when the same cannot be purchased from regular appropriations; and such other purposes not covered by regular appropriations which will provide a direct benefit to the inmates or patients of such institutions.

(Formerly: Acts 1957, c.242, s.6; Acts 1965, c.87, s.1.)

IC 4-24-6-7

Sec. 7. Money may accrue to the patients' recreation fund or inmates' recreation fund from the following sources:

(1) Gifts to the fund.

(2) Profits from the operation of a commissary or canteen.

(3) Interest earned by deposit of trust funds in public depositories, or income derived from trust funds invested in United States government securities as provided in section 2 of this chapter.

(4) Sale of items produced in occupational therapy.

(5) Income derived from any kind of benefit entertainment for the inmates or patients.

(6) Any other money derived from any source that is not legally prohibited.

(7) Any money derived from the income of any trust fund which has been deposited in any special fund of the institution.

(Formerly: Acts 1957, c.242, s.7.) As amended by P.L.5-1984, SEC.193.

IC 4-24-6-8

Sec. 8. All money held in trust for any inmate or patient of any institution on July 1, 1957, shall be transferred into a trust fund established under the provisions of this chapter. Any money in any recreational

or activities fund in any institution, on July 1, 1957, shall be transferred to the "recreation fund" established under the provisions of this chapter.

(Formerly: Acts 1957, c.242, s.8.) As amended by P.L.5-1984, SEC.194.

IC 4-24-6-9

Sec. 9. (a) Except as provided in subsection (c), the superintendent or warden of any institution may not be held personally liable for the loss of:

- (1) money held in trust for any inmate or patient of the institution; or
- (2) money deposited in the recreation fund of the institution.

(b) Except as provided in subsection (c), in the event the superintendent or warden delegates to any officer or employee of his institution the authority to administer the provisions of sections 6 and 7 of this chapter, such officer or employee may not be held personally liable for the loss of:

- (1) money held in trust for any inmate or patient of the institution; or
- (2) money deposited in the recreation fund of the institution.

(c) A superintendent or warden or a delegate of a superintendent or warden may be held personally liable under subsection (a) or (b) if the loss of money arises from the superintendent's, the warden's, or the delegate's official misconduct. All other losses under this section must be covered by the general blanket performance bond or crime insurance policy under subsection (d).

(d) No other bond except the general performance blanket bond given by the superintendent or warden of any institution, or by an officer or employee of the institution, shall be required. A general blanket performance bond or crime insurance policy endorsed to include faithful performance that is obtained under IC 5-4-1-15.1 shall cover any misfeasance or nonfeasance in the administration of sections 6 and 7 of this chapter on the part of any superintendent, warden, officer, or employee of the institution.

(e) The commissioner of insurance shall prescribe the form of the bonds or crime policies required by this section.

(Formerly: Acts 1957, c.242, s.9; Acts 1965, c.87, s.2.) As amended by P.L.5-1984, SEC.195; P.L.49-1995, SEC.1; P.L.22-1996, SEC.1.

IC 4-24-6-10

(Repealed by P.L.5-1984, SEC.196.)

IC 4-24-6-11

Sec. 11. The chief administrative officer of the department, division, or state agency that has administrative control and supervision of an institution with a fund established under section 6 of this chapter may transfer money from the institution's fund to one (1) or more other funds established under section 6 of this chapter. The institution receiving the transferred money shall use the transferred money in conformity with section 6 of this chapter.

As added by P.L.30-1988, SEC.1.

IC 4-24-7

Chapter 7. Collection of Money Owed State by Counties for Inmate Clothing Costs

IC 4-24-7-1

Sec. 1. For all claims that any state institution (as defined by IC 12-7-2-184) may have against any county for the payment of clothing furnished to any patient of such institution, which patient was admitted to such institution from such county, the superintendent of such institution shall make out an account therefor against such county, in a manner as hereinafter provided.

(Formerly: Acts 1953, c.165, s.1.) As amended by P.L.24-1997, SEC.3.

IC 4-24-7-4

Sec. 4. From and after January 1, 1953, such accounts of state institutions as are described in sections 1, 2, and 3 of this chapter shall be paid as follows:

- (1) All such accounts shall be signed by the superintendent of such institution, attested to by the seal of the institution, and forwarded to the auditor of the county for payment from which county the inmate or patient was admitted.
- (2) All accounts accruing between January 1 and June 30 of each year shall be forwarded to the county auditor on or before October 1 of such year.
- (3) All accounts accruing between July 1 and December 31 of each year shall be forwarded to the county auditor on or before April 1 of the following year.

(4) Upon receipt of any such account, the county auditor shall draw a warrant on the treasurer of the county for the payment of the account, and the same shall be paid out of the funds of the county appropriated therefor.

(5) The county council of each county of the state shall annually appropriate sufficient funds to pay such accounts.

(Formerly: Acts 1953, c.165, s.4.) As amended by P.L.5-1984, SEC.197.

IC 4-30-16

Chapter 16. Allocation of Revenues and Expenditure of Funds

IC 4-30-16-3

Administrative trust fund; transfer of surplus revenue

Sec. 3. (a) The commission shall transfer the surplus revenue in the administrative trust fund as follows:

(1) Before the last business day of January, April, July, and October, the commission shall transfer to the treasurer of state, for deposit in the Indiana state teachers' retirement fund (IC 21-6.1-2), before July 1, 2005, seven million five hundred thousand dollars (\$7,500,000) and after June 30, 2005, an amount equal to the lesser of:

(A) seven million five hundred thousand dollars (\$7,500,000); or

(B) the additional quarterly contribution needed so that the ratio of the unfunded liability of the Indiana state teachers' retirement fund compared to total active teacher payroll is as

close as possible to but not greater than the ratio that existed on the preceding July 1.

After June 30, 2003, and before July 1, 2005, the amount deposited in a state fiscal year under this subdivision in the Indiana state teachers' retirement fund (IC 21-6.1-2) shall only be used by the board to reduce the employer contribution rate that school corporations would otherwise pay after June 30, 2003, and before July 1, 2005, to the Indiana state teachers' retirement fund (IC 21-6.1-2), as computed under IC 5-10.2-2 and certified under IC 21-6.1-7-12, for teachers covered by the 1996 account, including a proportionate share of administration expenses for the 1996 account. On or before June 15, 2005, and June 15 of each year thereafter, the board of trustees of the Indiana state teachers' retirement fund shall submit to the treasurer of state, each member of the pension management oversight commission, and the auditor of state its estimate of the quarterly amount needed to freeze the unfunded accrued liability of the pre-1996 account (as defined in IC 21-6.1-1-6.9) as a percent of payroll. The estimate shall be based on the most recent actuarial valuation of the fund. Notwithstanding any other law, including any appropriations law resulting from a budget bill (as defined in IC 4-12-1-2), after June 30, 2005, the money transferred under this subdivision shall be set aside in a special account to be used as a credit against the unfunded accrued liability of the pre-1996 account (as defined in IC 21-6.1-1-6.9) of the Indiana state teachers' retirement fund. The money transferred is in addition to the appropriation needed to pay benefits for the state fiscal year.

(2) Before the last business day of January, April, July, and October, the commission shall transfer:

(A) two million five hundred thousand dollars (\$2,500,000) of the surplus revenue to the treasurer of state for deposit in the "k" portion of the pension relief fund (IC 5-10.3-11); and

(B) five million dollars (\$5,000,000) of the surplus revenue to the treasurer of state for deposit in the "m" portion of the pension relief fund (IC 5-10.3-11).

(3) The surplus revenue remaining in the fund on the last day of January, April, July, and October after the transfers under subdivisions (1) and (2) shall be transferred by the commission to the treasurer of state for deposit on that day in the build Indiana fund.

(b) The commission may make transfers to the treasurer of state more frequently than required by subsection (a). However, the number of transfers does not affect the amount that is required to be transferred for the purposes listed in subsection (a)(1) and (a)(2). Any amount transferred during the month in excess of the amount required to be transferred for the purposes listed in subsection (a)(1) and (a)(2) shall be transferred to the build Indiana fund.

As added by P.L.341-1989(ss), SEC.1. Amended by P.L.32-1990, SEC.11; P.L.33-1990, SEC.1; P.L.240-1991(ss2), SEC.44; P.L.25-1995, SEC.3; P.L.273-1999, SEC.49; P.L.224-2003, SEC.41.

IC 4-33

ARTICLE 33. RIVERBOAT GAMBLING

IC 4-33-1-1

Application of article

Sec. 1. This article applies only to the following:

- (1) Counties contiguous to Lake Michigan.
- (2) Counties contiguous to the Ohio River.
- (3) A county that contains a historic hotel district.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.1.

IC 4-33-1-5

Shipments of gambling devices

Sec. 5. All shipments of gambling devices, including slot machines, to an operating agent or a licensed riverboat in Indiana, the registering, recording, and labeling of which have been completed by the manufacturer or dealer thereof in accordance with 15 U.S.C. 1171 through 1178, are legal shipments of gambling devices into Indiana.

As added by P.L.20-1995, SEC.3. Amended by P.L.92-2003, SEC.2.

IC 4-33-2

Chapter 2. Definitions

IC 4-33-2-2

Adjusted gross receipts

Sec. 2. "Adjusted gross receipts" means:

- (1) the total of all cash and property (including checks received by a licensee or an operating agent) whether collected or not, received by a licensee or an operating agent from gaming operations; minus
- (2) the total of:
 - (A) all cash paid out as winnings to patrons; and
 - (B) uncollectible gaming receivables, not to exceed the lesser of:
 - (i) a reasonable provision for uncollectible patron checks received from gaming operations; or
 - (ii) two percent (2%) of the total of all sums, including checks, whether collected or not, less the amount paid out as winnings to patrons.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the licensee or operating agent from gaming operations.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.3.

IC 4-33-2-11.1

"Historic hotel"

Sec. 11.1. "Historic hotel" means a structure originally built as a hotel that:

- (1) contained at least three hundred (300) sleeping rooms on or before January 1, 1930;
- (2) is listed in, or is seeking listing in, the National Register of Historic Places; and
- (3) was regionally recognized for the mineral springs located on the property that were thought to have

significant health benefits for the hotel's guests.

As added by P.L.92-2003, SEC.4.

IC 4-33-2-11.5

"Historic hotel district"

Sec. 11.5. "Historic hotel district" means a historic hotel district that is established under IC 36-7-11.5.

As added by P.L.92-2003, SEC.5.

IC 4-33-2-14.5

"Operating agent"

Sec. 14.5. "Operating agent" means a person with whom the commission has entered into a contract under IC 4-33-6.5 to operate a riverboat in a historic hotel district.

As added by P.L.92-2003, SEC.6.

IC 4-33-2-14.6

"Operating agent contract"

Sec. 14.6. "Operating agent contract" refers to the contract entered into by the commission under IC 4-33-6.5 with respect to the operation of a riverboat in a historic hotel district.

As added by P.L.92-2003, SEC.7.

IC 4-33-2-17

"Riverboat"

Sec. 17. "Riverboat" means either of the following on which lawful gambling is authorized under this article:

- (1) A self-propelled excursion boat located in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2) that complies with IC 4-33-6-6(a).
- (2) A vessel located in a historic hotel district.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.8.

IC 4-33-3

Chapter 3. Indiana Gaming Commission

IC 4-33-3-17

Employee conflict of interest

Sec. 17. (a) A person may not be employed to serve the commission if:

(1) the person or the person's spouse, parent, or child is:

(A) an official of an operator or operating agent engaged in gambling operations in Indiana; or

(B) a person with:

(i) a financial interest in; or

(ii) a financial relation with;

an operator or operating agent engaged in gambling operations in Indiana; or

(2) the person is a spouse, parent, or child of a commission member.

(b) The employment of a person employed in violation of subsection (a) shall be terminated.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.9.

IC 4-33-4

Chapter 4. Powers and Duties of Indiana Gaming Commission

IC 4-33-4-1

Administration, regulation, and enforcement of riverboat gambling

Sec. 1. (a) The commission has the following powers and duties for the purpose of administering, regulating, and enforcing the system of riverboat gambling established under this article:

(1) All powers and duties specified in this article.

(2) All powers necessary and proper to fully and effectively execute this article.

(3) Jurisdiction and supervision over the following:

(A) All riverboat gambling operations in Indiana.

(B) All persons on riverboats where gambling operations are conducted.

(4) Investigate and reinvestigate applicants and license holders and determine the eligibility of applicants for licenses or operating agent contracts.

(5) Select among competing applicants the applicants that promote the most economic development in a home dock area and that best serve the interests of the citizens of Indiana.

(6) Take appropriate administrative enforcement or disciplinary action against a licensee or an operating agent.

- (7) Investigate alleged violations of this article.
- (8) Establish fees for licenses issued under this article.
- (9) Adopt appropriate standards for the design, appearance, aesthetics, and construction for riverboats and facilities.
- (10) Conduct hearings.
- (11) Issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records, and other relevant documents.
- (12) Administer oaths and affirmations to the witnesses.
- (13) Prescribe a form to be used by an operating agent or a licensee involved in the ownership or management of gambling operations as an application for employment by potential employees.
- (14) Revoke, suspend, or renew licenses issued under this article.
- (15) Hire employees to gather information, conduct investigations, and carry out other tasks under this article.
- (16) Take any reasonable or appropriate action to enforce this article.
- (b) Applicants and license holders shall reimburse the commission for costs related to investigations and reinvestigations conducted under subsection (a)(4).

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.20-1995, SEC.5; P.L.92-2003, SEC.10

IC 4-33-4-2

Rules

Sec. 2. The commission shall adopt rules under IC 4-22-2 for the following purposes:

- (1) administering this article.
- (2) Establishing the conditions under which riverboat gambling in Indiana may be conducted.
- (3) Providing for the prevention of practices detrimental to the public interest and providing for the best interests of riverboat gambling.
- (4) Establishing rules concerning inspection of riverboats and the review of the permits or licenses necessary to operate a riverboat.
- (5) Imposing penalties for noncriminal violations of this article.

As added by P.L.277-1993 (ss), SEC.124. Amended by P.L.1-1995, SEC.38; P.L.92-2003, SEC.11.

IC 4-33-4-3

Rules; violations; fees and taxes; inspectors; voluntary exclusion program

Sec. 3. (a) The commission shall do the following:

- (1) Adopt rules that the commission determines necessary to protect or enhance the following:
 - (A) The credibility and integrity of gambling operations authorized by this article.
 - (B) The regulatory process provided in this article.
- (2) Conduct all hearings concerning civil violations of this article.
- (3) Provide for the establishment and collection of license fees and taxes imposed under this article.
- (4) Deposit the license fees and taxes in the state gaming fund established by IC 4-33-13.
- (5) Levy and collect penalties for noncriminal violations of this article.
- (6) Deposit the penalties in the state gaming fund established by IC 4-33-13.
- (7) Be present through the commission's inspectors and agents during the time gambling operations are conducted on a riverboat to do the following:
 - (A) Certify the revenue received by a riverboat.
 - (B) Receive complaints from the public.
 - (C) Conduct other investigations into the conduct of the gambling games and the maintenance of the equipment that the commission considers necessary and proper.
- (8) Adopt emergency rules under IC 4-22-2-37.1 if the commission determines that:
 - (A) the need for a rule is so immediate and substantial that rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and
 - (B) an emergency rule is likely to address the need.
- (9) Adopt rules to establish and implement a voluntary exclusion program that meets the requirements of subsection (c).
- (b) The commission shall begin rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted under subsection (a)(8) not later than thirty (30) days after the adoption of the emergency rule under subsection (a)(8).
- (c) Rules adopted under subsection (a)(9) must provide the following:
 - (1) Except as provided by rule of the commission, a person who participates in the voluntary exclusion

program agrees to refrain from entering a riverboat or other facility under the jurisdiction of the commission.

(2) That the name of a person participating in the program will be included on a list of persons excluded from all facilities under the jurisdiction of the commission.

(3) Except as provided by rule of the commission, a person who participates in the voluntary exclusion program may not petition the commission for readmittance to a facility under the jurisdiction of the commission.

(4) That the list of patrons entering the voluntary exclusion program is confidential and may only be disseminated by the commission to the owner of a facility under the jurisdiction of the commission for purposes of enforcement.

(5) That the personal information of a person who participates in the voluntary exclusion program is confidential.

(6) That an owner of a facility under the jurisdiction of the commission shall make all reasonable attempts as determined by the commission to cease all direct marketing efforts to a person participating in the program.

(7) That an owner of a facility under the jurisdiction of the commission may not cash the check of a person participating in the program or extend credit to the person in any manner. However, the voluntary exclusion program does not preclude an owner from seeking the payment of a debt accrued by a person before entering the program.

As added by P.L.277-1993 (ss), SEC.124. Amended by P.L.1-1995, SEC.39; P.L.27-1997, SEC.2; P.L.273-1999, SEC.40; P.L.14-2000, SEC.13; P.L.92-2003, SEC.12; P.L.143-2003, SEC.1.

IC 4-33-4-3.5

Authorization to contract for inspectors and agents

Sec. 3.5. The commission may employ or contract for inspectors and agents required under section 3(7) of this chapter. The licensed owners and operating agents shall, in the manner prescribed by the rules of the commission, reimburse the commission for the salaries and other expenses of the inspectors and agents required to be present during the time gambling operations are conducted on a riverboat.

As added by P.L.53-1995, SEC.1. Amended by P.L.92-2003, SEC.13.

IC 4-33-4-3.6

Repealed

(Repealed by P.L.92-2003, SEC.63.)

IC 4-33-4-4

enters premises of licensee

Sec. 4. The commission may enter an office, a riverboat, a facility, or other premises of an operating agent or a person holding an owner's, or supplier's license where evidence of the compliance or noncompliance with this article is likely to be found.

As added by P.L.277-1993 (Ss), SEC.124. Amended by P.L.92-2003, SEC.14.

IC 4-33-4-6

Records of licensee

Sec. 6. The commission shall require that the records, including financial statements, of an operating agent or a person holding an owner's, or supplier's license must be maintained in the manner prescribed by the commission.

As added by P.L.277-1993 (ss), SEC.124. Amended by P.L.92-2003, SEC.15.

IC 4-33-4-7

Ejection or exclusion from facilities

Sec. 7. (a) The commission may eject or exclude or authorize the ejection or exclusion of a person from riverboat gambling facilities if:

(1) the person's name is on the list of persons voluntarily excluding themselves from all riverboats in a program established under the rules of the commission;

(2) the person violates this article; or

(3) the commission determines that the person's conduct or reputation is such that the person's presence within the riverboat gambling facilities may:

(A) call into question the honesty and integrity of the gambling operations; or

(B) interfere with the orderly conduct of the gambling operations.

(b) A person, other than a person participating in a voluntary exclusion program, may petition the

commission for a hearing on the person's ejection or exclusion under this section.

As added by P.L.277-1993 (ss), SEC.124. Amended by P.L.143-2003, SEC.2.

IC 4-33-4-8

Violations of article; fraudulent acts

Sec. 8. If a licensee, an operating agent, or an employee of a licensee or an operating agent violates this article or engages in a fraudulent act, the commission may do any combination of the following:

- (1) Suspend, revoke, or restrict the license of the licensee, or suspend, revoke, or restrict the gambling operations of an operating agent.
- (2) Require the removal of a licensee or an employee of a licensee.
- (3) Impose a civil penalty of not more than five thousand dollars (\$5,000) against an individual who has been issued an occupational license for each violation of this article.
- (4) Impose a civil penalty of not more than the greater of:
 - (A) ten thousand dollars (\$10,000); or
 - (B) an amount equal to the licensee's or operating agent's daily gross receipts for the day of the violation; against an owner or operating agent for each violation of this article.
- (5) Impose a civil penalty of not more than twenty-five thousand dollars (\$25,000) against a person who has been issued a supplier's license for each violation of this article.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.16; P.L.143-2003, SEC.3

IC 4-33-4-9

Cashless wagering system

Sec. 9. The commission shall require an owner or operating agent conducting gambling games to use a cashless wagering system in which a player's money is converted to tokens, electronic cards, or chips that may be used only for wagering on the riverboat.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.17.

IC 4-33-4-11

Insurance

Sec. 11. The commission shall establish the minimum amount of insurance that must be maintained by:

- (1) an operating agent; or
- (2) owner and supplier licensees.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.18.

IC 4-33-4-12

Alcoholic beverages

Sec. 12. Except as provided by IC 7.1-3-17.5, IC 7.1 and the rules adopted by the alcohol and tobacco commission apply to:

- (1) an operating agent; and
- (2) a person holding an owner's license.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.15-1994, SEC.2; P.L.204-2001, SEC.8; P.L.92-2003, SEC.19.

IC 4-33-4-13

Navigable waterways; determination

Sec. 13. (a) This section does not apply to a riverboat located in a historic hotel district.

(b) After consulting with the United States Army Corps of Engineers, the commission may do the following:

- (1) Determine the waterways that are navigable waterways for purposes of this article.
- (2) Determine the navigable waterways that are suitable for the operation of riverboats under this article.
- (c) In determining the navigable waterways on which riverboats may operate, the commission shall do the following:
 - (1) Obtain any required approvals from the United States Army Corps of Engineers for the operation of riverboats on those waterways.
 - (2) Consider the economic benefit that riverboat gambling provides to Indiana.
 - (3) Seek to ensure that all regions of Indiana share in the economic benefits of riverboat gambling.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.1-1995, SEC.40; P.L.92-2003, SEC.20.

IC 4-33-4-15

Annual duties of gaming commission

Sec. 15. The commission shall annually do the following:

(1) Review the patterns of wagering and wins and losses by persons on riverboat gambling operations under this article.

(2) Make recommendations to the governor and the general assembly concerning whether limits on wagering losses should be imposed.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.21.

IC 4-33-4-16

Investigative procedures; complaints

Sec. 16. (a) The commission shall review and make a determination on a complaint by an operating agent or a person who has been issued an owner's license concerning an investigative procedure that the licensee alleges is unnecessarily disruptive of gambling operations.

(b) A licensee or an operating agent filing a complaint under this section must prove all of the following by clear and convincing evidence:

(1) The investigative procedure had no reasonable law enforcement purpose.

(2) The investigative procedure was so disruptive as to unreasonably inhibit gambling operations.

(c) For purposes of this section, the need to inspect and investigate a licensee or an operating agent shall be presumed at all times.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.22.

IC 4-33-4-17

Licenses; application; denial; suspensions; revocation; restriction or refusal to renew; hearings

Sec. 17. (a) The commission shall decide promptly and in reasonable order all license applications.

(b) Notwithstanding any provision of this article, no owner's license may be granted for any riverboat that is not to be docked in the city described under IC 4-33-6-1(a)(1) until the earlier of:

(1) the issuance of an owner's license for a riverboat that is to be docked in the city described under IC 4-33-6-1(a)(1); or

(2) September 1, 1994.

(c) A party aggrieved by an action of the commission denying, suspending, revoking, restricting, or refusing the renewal of a license may request a hearing before the commission. A request for a hearing must be made to the commission in writing not more than ten (10) days after service of notice of the action of the commission.

(d) The commission shall serve notice of the commission's actions to a party by personal delivery or by certified mail. Notice served by certified mail is considered complete on the business day following the date of the mailing.

(e) The commission shall conduct all requested hearings promptly and in reasonable order.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.1-1994, SEC.13; P.L.92-2003, SEC.23.

IC 4-33-4-18

Background investigations

Sec. 18. The state police department shall assist the commission in conducting background investigations of applicants. The commission may forward all fingerprints required to be submitted by license applicants under IC 4-33 to the Federal Bureau of Investigation or any other agency for the purpose of screening applicants. The commission shall reimburse the state police department for the costs incurred by the state police department as a result of the assistance. The commission shall make the payment from fees collected from applicants.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.261-2003, SEC.4.

C 4-33-4-21

Licenses; transfer, sale, purchase, or voting trust; rules of procedure; prohibitions

Sec. 21. (a) A licensed owner or any other person must apply for and receive the commission's approval before:

(1) an owner's license is:

(A) transferred;

(B) sold; or

(C) purchased; or

(2) a voting trust agreement or other similar agreement is established with respect to the owner's license.

(b) The commission shall adopt rules governing the procedure a licensed owner or other person must follow to take an action under subsection (a). The rules must specify that a person who obtains an ownership interest in a license must meet the criteria of this article and any rules adopted by the commission. A licensed owner may transfer an owner's license only in accordance with this article and

rules adopted by the commission.

(c) A licensed owner or any other person may not:

- (1) lease;
- (2) hypothecate; or
- (3) borrow or loan money against;
an owner's license.

(d) A transfer fee is imposed on a licensed owner who purchases or otherwise acquires a controlling interest, as determined under the rules of the commission, in a second owner's license. The fee is equal to two million dollars (\$2,000,000). The commission shall collect and deposit a fee imposed under this subsection in the state general fund.

As added by P.L.20-1995, SEC.7. Amended by P.L.224-2003, SEC.42.

IC 4-33-4-21.2

Display and maintenance of toll free telephone number

Sec. 21.2. (a) The Indiana gaming commission shall require a licensed owner or an operating agent to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 in the following locations:

- (1) On each admission ticket to a riverboat if tickets are issued.
- (2) On a poster or placard that is on display in a public area of each riverboat where gambling games are conducted.

(b) The toll free telephone line described in IC 4-33-12-6 must be:

- (1) maintained by the division of mental health and addiction under IC 12-23-1-6; and
- (2) funded by the addiction services fund established by IC 12-23-2-2.

(c) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

As added by P.L.54-1995, SEC.1. Amended by P.L.215-2001, SEC.5; P.L.192-2002(ss), SEC.11; P.L.92-2003, SEC.24

IC 4-33-4-22

Rules concerning hours of operation

Sec. 22. (a) The commission may not adopt a rule or resolution limiting the ordinary business hours in which a licensed owner that has implemented flexible scheduling under IC 4-33-6-21 may conduct gambling operations.

(b) This section may not be construed to limit the commission's power to enforce this article:

- (1) under IC 4-33-4-1(a)(6), IC 4-33-4-1(a)(7), or IC 4-33-4-8; or
- (2) respond to an emergency, as determined by the commission.

As added by P.L.224-2003, SEC.43

IC 4-33-5

Chapter 5. Disclosure of Records

IC 4-33-5-1

License and operator agent contract applicants; disclosure of information

Sec. 1. An applicant for a license or an operator agent contract under this article must provide the following information to the commission:

- (1) The name, business address, and business telephone number of the applicant.
- (2) An identification of the applicant.
- (3) The following information for an applicant that is not an individual:
 - (A) The state of incorporation or registration.
 - (B) The names of all corporate officers.
 - (C) The identity of the following:
 - (i) Any person in which the applicant has an equity interest of at least one percent (1%) of all shares. The identification must include the state of incorporation or registration if applicable. However, an applicant that has a pending registration statement filed with the Securities and Exchange Commission is not required to provide information under this item.
 - (ii) The shareholders or participants of the applicant. An applicant that has a pending registration statement filed with the Securities and Exchange Commission is required to provide only the names of persons holding an interest of more than one percent (1%) of all shares.
- (4) An identification of any business, including the state of incorporation or registration if applicable, in which an applicant or the spouse or children of an applicant has an equity interest of more than one percent

(1%) of all shares.

(5) If the applicant has been indicted, been convicted, pleaded guilty or nolo contendere, or forfeited bail concerning a criminal offense other than a traffic violation under the laws of any jurisdiction. The applicant must include the following information under this subdivision:

(A) The name and location of the following:

(i) The court.

(ii) The arresting agency.

(iii) The prosecuting agency.

(B) The case number.

(C) The date and type of offense.

(D) The disposition of the case.

(E) The location and length of incarceration.

(6) If the applicant has had a license or certificate issued by a licensing authority in Indiana or any other jurisdiction denied, restricted, suspended, revoked, or not renewed. An applicant must provide the following information under this subdivision:

(A) A statement describing the facts and circumstances concerning the denial, restriction, suspension, revocation, or nonrenewal.

(B) The date each action described in clause (A) was taken.

(C) The reason each action described in clause (A) was taken.

(7) If the applicant has:

(A) filed or had filed against the applicant a proceeding in bankruptcy; or

(B) been involved in a formal process to adjust, defer, suspend, or work out the payment of a debt; including the date of filing, the name and location of the court, and the case and number of the disposition.

(8) If the applicant has filed or been served with a complaint or notice filed with a public body concerning:

(A) a delinquency in the payment of; or

(B) a dispute over a filing concerning the payment of;

a tax required under federal, state, or local law, including the amount, type of tax, the taxing agency, and times involved.

(9) A statement listing the names and titles of public officials or officers of units of government and relatives of the public officials or officers who directly or indirectly:

(A) have a financial interest in;

(B) have a beneficial interest in;

(C) are the creditors of;

(D) hold a debt instrument issued by; or

(E) have an interest in a contractual or service relationship with; an applicant.

(10) If an applicant for an operating agent contract or an owner's or a supplier's license has directly or indirectly made a political contribution, loan, donation, or other payment to a candidate or an office holder in Indiana not more than five (5) years before the date the applicant filed the application. An applicant must provide information concerning the amount and method of a payment described in this subdivision.

(11) The name and business telephone number of the attorney who will represent the applicant in matters before the commission.

(12) A description of a proposed or an approved riverboat gaming operation, including the following information:

(A) The type of boat.

(B) The home dock location.

(C) The expected economic benefit to local communities.

(D) The anticipated or actual number of employees.

(E) Any statements from the applicant concerning compliance with federal and state affirmative action guidelines.

(F) Anticipated or actual admissions.

(G) Anticipated or actual adjusted gross gaming receipts.

(13) A description of the product or service to be supplied by the applicant if the applicant has applied for a supplier's license.

(14) The following information from each licensee or operator agent involved in the ownership or management of gambling operations:

- (A) An annual balance sheet.
- (B) An annual income statement.
- (C) A list of the stockholders or other persons having at least a one percent (1%) beneficial interest in the gambling activities of the person who has been issued the owner's license or operator agent contract.
- (D) Any other information the commission considers necessary for the effective administration of this article.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.25.

IC 4-33-5-2

Commission records

Sec. 2. Notwithstanding any other law, upon written request from a person, the commission shall provide the following information to the person:

- (1) The information provided under section 1 of this chapter concerning a licensee or an applicant.
- (2) The amount of the wagering tax and admission tax paid daily to the state by a licensed owner or an operating agent.
- (3) A copy of a letter providing the reasons for the denial of an owner's license or an operating agent's contract.
- (4) A copy of a letter providing the reasons for the commission's refusal to allow an applicant to withdraw the applicant's application.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.26.

IC 4-33-6

Chapter 6. Licensing of Owners

IC 4-33-6-1

Maximum number of licenses

Sec. 1. (a) The commission may issue to a person a license to own a riverboat subject to the numerical and geographical limitation of owner's licenses under this section, section 3.5 of this chapter, and IC 4-33-4-17. However, not more than ten (10) owner's licenses may be in effect at any time. Except as provided in subsection (b), those ten (10) licenses are as follows:

- (1) Two (2) licenses for a riverboat that operates from the largest city located in the counties described under IC 4-33-1-1(1).
- (2) One (1) license for a riverboat that operates from the second largest city located in the counties described under IC 4-33-1-1(1).
- (3) One (1) license for a riverboat that operates from the third largest city located in the counties described under IC 4-33-1-1(1).
- (4) One (1) license for a city located in the counties described under IC 4-33-1-1(1). This license may not be issued to a city described in subdivisions (1) through (3).
- (5) A total of five (5) licenses for riverboats that operate upon the Ohio River from counties described under IC 4-33-1-1(2). The commission may not issue a license to an applicant if the issuance of the license would result in more than one (1) riverboat operating from a county described in IC 4-33-1-1(2).
- (b) If a city described in subsection (a)(2) or (a)(3) conducts two (2) elections under section 20 of this chapter, and the voters of the city do not vote in favor of permitting riverboat gambling at either of those elections, the license assigned to that city under subsection (a)(2) or (a)(3) may be issued to any city that:
 - (1) does not already have a riverboat operating from the city; and
 - (2) is located in a county described in IC 4-33-1-1(1).
- (c) In addition to its power to issue owner's licenses under subsection (a), the commission may also enter into a contract under IC 4-33-6.5 with respect to the operation of one (1) riverboat on behalf of the commission in a historic hotel district.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.20-1995, SEC.8; P.L.55-1995, SEC.1; P.L.92-2003, SEC.27; P.L.149-2003, SEC.1.

IC 4-33-6-6

Riverboat requirements

Sec. 6. (a) A riverboat that operates in a county described in IC 4-33-1-1(1) or IC 4-33-1-1(2) must:

- (1) have a valid certificate of inspection from the United States Coast Guard for the carrying of at least five hundred (500) passengers; and
- (2) be at least one hundred fifty (150) feet in length.
- (b) This subsection applies only to a riverboat that operates on the Ohio River. A riverboat must replicate,

as nearly as possible, historic Indiana steamboat passenger vessels of the nineteenth century. However, steam propulsion or overnight lodging facilities are not required under this subsection.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.20-1995, SEC.10; P.L.92-2003, SEC.28.

IC 4-33-6-18

Ordinances to permit docking in cities or counties

Sec. 18. (a) This subsection applies to cities described in section 1(a)(1) through 1(a)(4) or section (1)(b) of this chapter. The commission may not issue a license authorizing a riverboat to dock in a city unless the legislative body of the city has approved an ordinance permitting the docking of riverboats in the city.

(b) This subsection applies to a county described in section 1(a)(5) of this chapter if the largest city in the county is contiguous to the Ohio River. The commission may not issue a license authorizing a riverboat to dock in the county unless an ordinance permitting the docking of riverboats in the county has been approved by the legislative body of the largest city in the county. The license must specify that the home dock of the riverboat is to be located in the largest city in the county.

(c) This subsection applies to a county described in section 1(a)(5) of this chapter if the largest city in the county is not contiguous to the Ohio River. The commission may not issue a license authorizing a riverboat to dock in the county unless an ordinance permitting the docking of riverboats in the county has been approved by the county fiscal body.

(d) This subsection applies to a county in which a historic hotel district is located. The commission may not enter into a contract under IC 4-33-6.5 for the operation of a riverboat in the county unless an ordinance permitting the docking of riverboats in the county has been approved by the county fiscal body.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.2-1995, SEC.8; P.L.92-2003, SEC.29.

IC 4-33-6-19

County approval of riverboat gambling

Sec. 19. (a) This section applies to:

- (1) a county contiguous to the Ohio River;
- (2) a county containing a historic hotel district; and
- (3) a county contiguous to Lake Michigan that has a population of less than four hundred thousand (400,000).

(b) Notwithstanding any other provision of this article, the commission may not:

- (1) issue a license under this article to allow a riverboat to operate in the county; or
- (2) enter into a contract with an operating agent under IC 4-33-6.5;

unless the voters of the county have approved the conducting of gambling games on riverboats in the county.

(c) If the docking of a riverboat in the county is approved by an ordinance adopted under section 18 of this chapter, or if at least the number of the registered voters of the county required under IC 3-8-6-3 for a petition to place a candidate on the ballot sign a petition submitted to the circuit court clerk requesting that a local public question concerning riverboat gaming be placed on the ballot, the county election board shall place the following question on the ballot in the county during the next primary or general election:

"Shall riverboat gambling be permitted in ____ County?".

(d) A public question under this section shall be placed on the ballot in accordance with IC 3-10-9 and must be certified in accordance with IC 3-10-9-3.

(e) The clerk of the circuit court of a county holding an election under this chapter shall certify the results determined under IC 3-12-4-9 to the commission and the department of state revenue.

(f) If a public question under this section is placed on the ballot in a county and the voters of the county do not vote in favor of permitting riverboat gambling under this article, a second public question under this section may not be held in that county for at least two (2) years. If the voters of the county vote to reject riverboat gambling a second time, a third or subsequent public question under this section may not be held in that county until the general election held during the tenth year following the year that the previous public question was placed on the ballot.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.1-1994, SEC.14; P.L.12-1995, SEC.96; P.L.2-1995, SEC.9; P.L.24-1996, SEC.10; P.L.3-1997, SEC.414; P.L.92-2003, SEC.30.

IC 4-33-6-21

Plan for flexible scheduling; approval by commission

Sec. 21. (a) A licensed owner may submit a plan for flexible scheduling to the commission by a date designated by the commission. Upon receipt of an appropriate plan, the commission shall authorize flexible

scheduling and the licensed owner shall implement the flexible scheduling plan by the date designated by the commission.

(b) A licensed owner that:

- (1) submits a plan for flexible scheduling to the commission may include provisions; or
 - (2) has implemented a flexible scheduling plan may amend the plan to include provisions;
- to conduct gambling operations for up to twenty-four (24) hours a day. Upon receipt of a plan or an amendment to a plan concerning operating hours, the commission shall authorize the licensed owner to implement the plan or amendment for the days and hours specified in the plan or amendment. The licensed owner shall implement the provisions related to operating days and hours by the date designated by the commission. If the licensed owner fails or ceases to operate in accordance with the authorized provisions concerning operating days and hours, the commission may rescind the authorization.

As added by P.L.192-2002(ss), SEC.15. Amended by P.L.224-2003, SEC.44.

IC 4-33-6.5

Chapter 6.5. Riverboat Operating Agent Contract

IC 4-33-6.5-1

Maximum number of operating agent contracts

Sec. 1. The commission may enter into one (1) operating agent contract with a person to operate one (1) riverboat on behalf of the commission in a historic hotel district. The commission shall issue a request for proposals and award the contract under IC 5-22-9.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-2

Application for operating agent contract; forms; costs of investigation

Sec. 2. (a) A person, including a person who holds or has an interest in an owner's license issued under this article, may file an application with the commission to serve as an operating agent under this chapter. An applicant must pay a nonrefundable application fee to the commission in an amount to be determined by the commission.

(b) An applicant must submit the following on forms provided by the commission:

- (1) If the applicant is an individual, two (2) sets of the individual's fingerprints.
- (2) If the applicant is not an individual, two (2) sets of fingerprints for each officer and director of the applicant.

(c) The commission shall review the applications filed under this chapter and shall inform each applicant of the commission's decision.

(d) The costs of investigating an applicant to serve as an operating agent under this chapter shall be paid from the application fee paid by the applicant.

(e) An applicant to serve as an operating agent under this chapter must pay all additional costs that are:

- (1) associated with the investigation of the applicant; and
- (2) greater than the amount of the application fee paid by the applicant.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-3

Restrictions on issuance

Sec. 3. The commission may not enter into an operating agent contract with a person under this chapter if:

- (1) the person has been convicted of a felony under Indiana law, the laws of any other state, or the laws of the United States;
- (2) the person has knowingly or intentionally submitted an application under this chapter that contains false information;
- (3) the person is a member of the commission;
- (4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);
- (5) the person employs an individual who is described in subdivision (1), (2), or (3); or
- (6) a license issued to the person to own or operate gambling facilities in another jurisdiction has been revoked.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-4

Factors considered in granting operating agency contract; submission of proposed riverboat design

Sec. 4. In determining whether to grant an operating agent contract to an applicant, the commission shall consider the following:

- (1) The character, reputation, experience, and financial integrity of the following:
 - (A) The applicant.
 - (B) A person that:
 - (i) directly or indirectly controls the applicant; or
 - (ii) is directly or indirectly controlled by the applicant or by a person that directly or indirectly controls the applicant.
- (2) The facilities or proposed facilities for the conduct of riverboat gambling in a historic hotel district. The applicant must submit to the commission a proposed design of the riverboat.
- (3) The highest prospective total revenue to be collected by the state from the conduct of riverboat gambling.
- (4) The good faith affirmative action plan of each applicant to recruit, train, and upgrade minorities in all employment classifications.
- (5) The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance.
- (6) Whether the applicant has adequate capitalization to operate a riverboat for the duration of the contract.
- (7) The extent to which the applicant provides assurances that the applicant will participate in the funding of:
 - (A) specific economic development programs; or
 - (B) infrastructure improvements;in the county where the riverboat is located.
- (8) The extent to which the applicant exceeds or meets other standards adopted by the commission.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-5

Requirements of operating agent

Sec. 5. After selecting the most appropriate operating agent applicant, the commission may enter into an operating agent contract with the person. The operating agent contract must comply with this article and include the following terms and conditions:

- (1) The operating agent must pay a nonrefundable initial fee of one million dollars (\$1,000,000) to the commission. The fee must be deposited by the commission into the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).
- (2) The operating agent must post a bond as required in section 6 of this chapter.
- (3) The operating agent must implement flexible scheduling.
- (4) The operating agent must locate the riverboat in a historic hotel district at a location approved by both the commission and the historic hotel preservation commission established under IC 36-7-11.5.
- (5) The operating agent must comply with any requirements concerning the exterior design of the riverboat that are approved by both the commission and the historic hotel preservation commission established under IC 36-7-11.5.
- (6) Notwithstanding any law limiting the maximum length of contracts:
 - (A) the initial term of the contract may not exceed twenty (20) years; and
 - (B) any renewal or extension period permitted under the contract may not exceed twenty (20) years.
- (7) The operating agent must collect and remit all taxes under IC 4-33-12 and IC 4-33-13.
- (8) The operating agent must comply with the restrictions on the transferability of the operating agent contract under section 12 of this chapter.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-6

Bond

Sec. 6. (a) An operating agent must post a bond with the commission at least sixty (60) days before the commencement of regular riverboat operations in the historic hotel district.

(b) The bond must be furnished in:

- (1) cash or negotiable securities;
 - (2) a surety bond:
 - (A) with a surety company approved by the commission; and
 - (B) guaranteed by a satisfactory guarantor; or
 - (3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the commission.
- (c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without restriction at

the disposal of the commission, but income inures to the benefit of the operating agent.

(d) The bond:

- (1) is subject to the approval of the commission;
- (2) must be in an amount that the commission determines will adequately reflect the amount that a local community will expend for infrastructure and other facilities associated with a riverboat operation; and
- (3) must be payable to the commission as obligee for use in payment of the riverboat's financial obligations to the local community, the state, and other aggrieved parties, as determined by the rules of the commission.

Any bond proceeds remaining after the payments shall be deposited in the community trust fund established by IC 36-7-11.5-8.

(e) If after a hearing (after at least five (5) days written notice) the commission determines that the amount of an operating agent's bond is insufficient, the operating agent shall, upon written demand of the commission, file a new bond.

(f) The commission may require an operating agent to file a new bond with a satisfactory surety in the same form and amount if:

(1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or otherwise; or

(2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

(g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel the operating agent's contract. If the new bond is satisfactorily furnished, the commission shall release in writing the surety on the old bond from any liability accruing after the effective date of the new bond.

(h) A bond is released on the condition that the operating agent remains at the site of the riverboat operating within the historic hotel district:

(1) for five (5) years; or

(2) until the date the commission enters into a contract with another operating agent to operate from the site for which the bond was posted;

whichever occurs first.

(i) An operating agent who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of a bond that is in default under this subsection are paid to the commission and used in the same manner as specified in subsection (d).

(j) The total liability of the surety on a bond is limited to the amount specified in the bond, and the continuous nature of the bond may not be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

(1) the time specified under subsection (h); and

(2) a written request is submitted by the operating agent.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-7

Reinvestigations of operating agent

Sec. 7. (a) An operating agent shall undergo a complete investigation at least once every three (3) years to ensure that the operating agent remains in compliance with this article.

(b) Notwithstanding subsection (a), the commission may investigate an operating agent at any time the commission determines it is necessary to ensure that the operating agent remains in compliance with this article.

(c) An operating agent shall bear the cost of an investigation or a reinvestigation under this section.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-8

Maximum number of riverboats operated by operating agent

Sec. 8. An operating agent contract under this chapter permits the operating agent to operate one (1) riverboat on behalf of the commission.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-9

Other licenses

Sec. 9. An operating agent may apply to the commission for and may hold licenses that are necessary for the operation of a riverboat, including the following:

(1) A license to prepare and serve food for human consumption.

(2) Any other necessary license.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-10

Equipment of operating agent; annual inventory report

Sec. 10. An operating agent may own gambling equipment, devices, and supplies. Each operating agent must file an annual report listing the operating agent's inventories of gambling equipment, devices, and supplies.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-11

Schools for training occupational licenses

Sec. 11. This article does not prohibit an operating agent from operating a school for the training of occupational licensees.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-12

Operating agent contract, transfers, sale, purchase, or voting trust; rules of procedure; prohibitions

Sec. 12. (a) An operating agent must apply for and receive the commission's approval before:

(1) an operating agent's contract is:

(A) transferred;

(B) sold; or

(C) purchased; or

(2) a voting trust agreement or other similar agreement is established with respect to the operating agent.

(b) The commission shall adopt rules governing the procedure an operating agent or other person must follow to take an action under subsection (a). The rules must specify that a person who obtains an ownership interest in an operating agent contract must meet the criteria of this article and any rules adopted by the commission. An operating agent may transfer an interest in an operating agent contract only in accordance with this article and rules adopted by the commission.

(c) An operating agent or any other person may not:

(1) lease;

(2) hypothecate; or

(3) borrow or loan money against;
an operating agent contract.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-13

Prohibited terms of contract

Sec. 13. A contract entered into under this chapter may not include any terms under which the operating agent is required to pay any amount to the state or the gaming commission other than the fees and taxes specifically authorized or required under this article.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-14

Duties of operating agent

Sec. 14. Except as otherwise specifically provided by this article, an operating agent is charged with all the duties imposed upon a licensed owner under this article.

As added by P.L.92-2003, SEC.31.

IC 4-33-6.5-15

Riverboat operated by operating agent subject to property taxes

Sec. 15. A riverboat operated under an operating agent contract under this article is not exempt from property taxes imposed under IC 6-1.1.

As added by P.L.92-2003, SEC.31

IC 4-33-7

Chapter 7. Licensing of Suppliers

IC 4-33-7-2

Gambling equipment and supplies; distribution

Sec. 2. (a) A person holding a supplier's license may sell, lease, and contract to sell or lease gambling

equipment and supplies to a licensee or an operating agent involved in the ownership or management of riverboat gambling operations.

(b) Gambling supplies and equipment may not be distributed unless the gambling supplies and equipment conform to standards adopted by the commission.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.32.

IC 4-33-7-3

Restrictions on issuance of license

Sec. 3. A person may not receive a supplier's license if:

- (1) the person has been convicted of a felony under Indiana law, the laws of any other state, or laws of the United States;
- (2) the person has knowingly or intentionally submitted an application for a license under this chapter that contains false information;
- (3) the person is a member of the commission;
- (4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);
- (5) the person employs an individual who:
 - (A) is described in subdivision (1), (2), or (3); and
 - (B) participates in the management or operation of gambling operations authorized under this article;
- (6) the person owns more than a ten percent (10%) ownership interest in:
 - (A) any other person holding an owner's license; or
 - (B) an operating agent contract;issued under this article; or
- (7) a license issued to the person:
 - (A) under this article; or
 - (B) to supply gaming supplies in another jurisdiction;has been revoked.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.33.

IC 4-33-7-7

Repair of equipment, devices, and supplies

Sec. 7. Gambling equipment, devices, and supplies that are provided by a supplier may be:

- (1) repaired on a riverboat; or
- (2) removed for repair from the riverboat to a facility owned by a licensed owner or an operating agent.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.34.

IC 4-33-8

Chapter 8. Licensing of Occupations

IC 4-33-8-2

Occupational licenses; requirements; fees; duration; renewal; compliance investigations

Sec. 2. (a) The commission may issue an occupational license to an individual if:

- (1) the individual has applied for the occupational license;
 - (2) a nonrefundable application fee set by the commission has been paid on behalf of the applicant in accordance with subsection (b);
 - (3) the commission has determined that the applicant is eligible for an occupational license; and
 - (4) an annual license fee in an amount established by the commission has been paid on behalf of the applicant in accordance with subsection (b).
- (b) A licensed owner, an applicant for a riverboat owner's license, an operating agent, an applicant for an operating agent contract, or a holder of a supplier's license shall pay the application fee of an individual applying for an occupational license to work:
- (1) at the licensed owner's or operating agent's riverboat gambling operation; or
 - (2) for the holder of a supplier's license.

The licensed owner, applicant for a riverboat owner's license, operating agent, applicant for an operating agent contract, or holder of a supplier's license shall pay the annual occupational license fee on behalf of an employee or potential employee. The licensed owner, applicant for a riverboat owner's license, operating agent, applicant for an operating agent contract, or holder of a supplier's license may seek reimbursement of the application fee or annual license fee from an employee who is issued an occupational license.

(c) A license issued under this chapter is valid for one (1) year after the date of issuance.

(d) Unless an occupational license is suspended, expires, or is revoked, the occupational license may be

renewed annually upon:

(1) the payment of an annual license fee by the licensed owner, operating agent, or holder of a supplier's license on behalf of the licensee in an amount established by the commission; and

(2) a determination by the commission that the licensee is in compliance with this article.

(e) The commission may investigate the holder of an occupational license at any time the commission determines it is necessary to ensure that the licensee is in compliance with this article.

(f) A licensed owner, an applicant for a riverboat owner's license, an operating agent, an applicant for an operating agent contract, or a holder of a supplier's license shall pay the cost of an investigation or reinvestigation of a holder of an occupational license who is employed by the licensed owner, operating agent, or licensed supplier. The licensed owner, applicant for a riverboat owner's license, operating agent, applicant for an operating agent contract, or holder of a supplier's license may seek reimbursement of the cost of an investigation or reinvestigation from an employee who holds an occupational license.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.20-1995, SEC.14; P.L.92-2003, SEC.35.

IC 4-33-8-9

Schools for training occupational licensees

Sec. 9. (a) This article does not prohibit a licensed owner or an operating agent from entering into an agreement with a school approved by the commission for the training of an occupational licensee.

(b) Training offered by a school described in subsection (a) must be:

(1) in accordance with a written agreement between the licensed owner or operating agent and the school; and

(2) approved by the commission.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.37.

IC 4-33-8-10

Training locations

Sec. 10. Training provided for occupational licensees may be conducted:

(1) on a riverboat; or

(2) at a school with which a licensed owner or an operating agent has entered into an agreement under section 9 of this chapter.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.38.

IC 4-33-9

Chapter 9. Gambling Operations

IC 4-33-9-1

Gambling permitted on riverboats

Sec. 1. Gambling may be conducted by licensed owners or an operating agent on riverboats.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.39.

IC 4-33-9-4

Minimum and maximum wagers

Sec. 4. Minimum and maximum wagers on gambling games shall be determined by the person who has been issued an owner's license or an operating agent contract.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.40.

IC 4-33-9-7

Presence of commission employees and conservation officers on riverboats or facilities

Sec. 7. Employees of the commission and conservation officers of the department of natural resources have the right to be present on a riverboat or adjacent facilities under the control of a person who has been issued an owner's license or operating agent contract.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.41.

IC 4-33-9-9

Permitted forms of wagering

Sec. 9. A person who has been issued an owner's license or an operating agent contract may not permit any form of wagering on gambling games except as permitted under this article.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.42.

IC 4-33-9-10

Presence required for wagering

Sec. 10. Wagers may be received only from a person present on a riverboat. A person present on a riverboat

may not place or attempt to place a wager on behalf of another person who is not present on the riverboat.
As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.43.

IC 4-33-9-15

Tokens, chips, or electronic cards; purchase

Sec. 15. (a) All tokens, chips, or electronic cards that are used to make wagers must be purchased from the owner or operating agent of the riverboat:

- (1) while on board the riverboat; or
- (2) at an on-shore facility that:
 - (A) has been approved by the commission; and
 - (B) is located where the riverboat docks.

(b) The tokens, chips, or electronic cards may be purchased by means of an agreement under which the owner or operating agent extends credit to the patron.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.44.

IC 4-33-10

Chapter 10. Crimes and Penalties

IC 4-33-10-2

Class D felonies

Sec. 2. A person who knowingly or intentionally does any of the following commits a Class D felony:

- (1) Offers, promises, or gives anything of value or benefit:
 - (A) to a person who is connected with the owner or operating agent of a riverboat, including an officer or an employee of a riverboat owner, an operating agent, or a holder of an occupational license; and
 - (B) under an agreement to influence or with the intent to influence:
 - (i) the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a gambling game; or
 - (ii) an official action of a commission member.
- (2) Solicits, accepts, or receives a promise of anything of value or benefit:
 - (A) while the person is connected with a riverboat, including an officer or employee of a licensed owner, an operating agent, or a holder of an occupational license; and
 - (B) under an agreement to influence or with the intent to influence:
 - (i) the actions of the person to affect or attempt to affect the outcome of a gambling game; or
 - (ii) an official action of a commission member.
- (3) Uses or possesses with the intent to use a device to assist in:
 - (A) projecting the outcome of the game;
 - (B) keeping track of the cards played;
 - (C) analyzing the probability of the occurrence of an event relating to the gambling game; or
 - (D) analyzing the strategy for playing or betting to be used in the game, except as permitted by the commission.
- (4) Cheats at a gambling game.
- (5) Manufactures, sells, or distributes any cards, chips, dice, game, or device that is intended to be used to violate this article.
- (6) Alters or misrepresents the outcome of a gambling game on which wagers have been made after the outcome is made sure but before the outcome is revealed to the players.
- (7) Places a bet on the outcome of a gambling game after acquiring knowledge that:
 - (A) is not available to all players; and
 - (B) concerns the outcome of the gambling game that is the subject of the bet.
- (8) Aids a person in acquiring the knowledge described in subdivision (7) for the purpose of placing a bet contingent on the outcome of a gambling game.
- (9) Claims, collects, takes, or attempts to claim, collect, or take money or anything of value in or from a gambling game:
 - (A) with the intent to defraud; or
 - (B) without having made a wager contingent on winning a gambling game.
- (10) Claims, collects, or takes an amount of money or thing of value of greater value than the amount won in a gambling game.
- (11) Uses or possesses counterfeit chips or tokens in or for use in a gambling game.
- (12) Possesses a key or device designed for:

(A) opening, entering, or affecting the operation of a gambling game, drop box, or an electronic or a mechanical device connected with the gambling game; or

(B) removing coins, tokens, chips, or other contents of a gambling game.

This subdivision does not apply to a licensee or an operating agent or an employee of a licensee or an operating agent acting in the course of the employee's employment.

(13) Possesses materials used to manufacture a slug or device intended to be used in a manner that violates this article.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.20-1995, SEC.16; P.L.2-1998, SEC.11; P.L.92-2003, SEC.45.

IC 4-33-10-2.1

Licensees or person who have an interest in a licensee; operating contract considered a license; operating agent considered a licensee

Sec. 2.1. (a) This section applies only to contributions made after June 30, 1996.

(b) The definitions in IC 3-5-2 apply to this section to the extent they do not conflict with the definitions in this article.

(c) As used in this section, "candidate" refers to any of the following:

(1) A candidate for a state office.

(2) A candidate for a legislative office.

(3) A candidate for a local office.

(d) As used in this section, "committee" refers to any of the following:

(1) A candidate's committee.

(2) A regular party committee.

(3) A committee organized by a legislative caucus of the house of the general assembly.

(4) A committee organized by a legislative caucus of the senate of the general assembly.

(e) As used in this section, "license" means:

(1) an owner's license issued under this article;

(2) a supplier's license issued under this article to a supplier of gaming supplies or equipment, including electronic gaming equipment; or

(3) an operating agent contract issued under this article.

(f) As used in this section, "licensee" means a person who holds a license. The term includes an operating agent.

(g) As used in this section, "officer" refers only to either of the following:

(1) An individual listed as an officer of a corporation in the corporation's most recent annual report.

(2) An individual who is a successor to an individual described in subdivision (1).

(h) For purposes of this section, a person is considered to have an interest in a licensee if the person satisfies any of the following:

(1) The person holds at least a one percent (1%) interest in the licensee.

(2) The person is an officer of the licensee.

(3) The person is an officer of a person that holds at least a one percent (1%) interest in the licensee.

(4) The person is a political action committee of the licensee.

(i) A licensee is considered to have made a contribution if a contribution is made by a person who has an interest in the licensee.

(j) A licensee or a person who has an interest in a licensee may not make a contribution to a candidate or a committee during the following periods:

(1) The term during which the licensee holds a license.

(2) The three (3) years following the final expiration or termination of the licensee's license.

(k) A person who knowingly or intentionally violates this section commits a Class D felony.

As added by P.L.4-1996, SEC.94. Amended by P.L.92-2003, SEC.46.

IC 4-33-10-2.5

Prohibition on gifts to induce committee members on local public question

Sec. 2.5. (a) This section applies only to property given after June 30, 1996.

(b) The definitions in IC 3-5-2 apply to this section to the extent they do not conflict with the definitions in this article.

(c) As used in this section, "license" means:

(1) an owner's license issued under this article;

- (2) a supplier's license issued under this article to a supplier of gaming supplies or equipment, including electronic gaming equipment; or
 - (3) an operating agent contract entered into under this article.
 - (d) As used in this section, "licensee" means a person who holds a license. The term includes an operating agent.
 - (e) As used in this section, "officer" refers only to either of the following:
 - (1) An individual listed as an officer of a corporation in the corporation's most recent annual report.
 - (2) An individual who is a successor to an individual described in subdivision (1).
 - (f) For purposes of this section, a person is considered to have an interest in a licensee if the person satisfies any of the following:
 - (1) The person holds at least a one percent (1%) interest in the licensee.
 - (2) The person is an officer of the licensee.
 - (3) The person is an officer of a person that holds at least a one percent (1%) interest in the licensee.
 - (4) The person is a political action committee of the licensee.
 - (g) A licensee or a person with an interest in a licensee may not give any property (as defined in IC 35-41-1-23) to a member of a precinct committee to induce the member of the precinct committee to do any act or refrain from doing any act with respect to the approval of a local public question under IC 4-33-6-19.
 - (h) A person who knowingly or intentionally violates this section commits a Class D felony.
- As added by P.L.24-1996, SEC.11. Amended by P.L.2-1997, SEC.14; P.L.92-2003, SEC.47.*

IC 4-33-11

Chapter 11. Judicial Review

IC 4-33-11-3

Suspension of license; required suspension of operations by operating agent contract; revocation of license

Sec. 3. (a) The commission may:

- (1) suspend a license issued to the owner of a riverboat; or
 - (2) require an operating agent to suspend operations;
- without notice or hearing if the commission determines that the safety or health of patrons or employees would be threatened by the continued operation of the riverboat.
- (b) The suspension of an owner's license or an operating agent's operations under this section may remain in effect until the commission determines that the cause for suspension has been abated. The commission may revoke the license if the commission determines that the owner or operating agent has not made satisfactory progress toward abating the hazard.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.48

IC 4-33-12

Chapter 12. Admission Taxes

IC 4-33-12-1

Admissions tax rates

Sec. 1. (a) This subsection does not apply to a riverboat that has implemented flexible scheduling under IC 4-33-6-21. A tax is imposed on admissions to gambling excursions authorized under this article at a rate of three dollars (\$3) for each person admitted to the gambling excursion. This admission tax is imposed upon the licensed owner conducting the gambling excursion.

(b) This subsection applies only to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 or IC 4-33-6.5. A tax is imposed on the admissions to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 or IC 4-33-6.5 at the following rate:

- (1) Four dollars (\$4) for each person admitted to a riverboat that docks in a county described in IC 4-33-1-1(3). This admission tax is imposed upon the operating agent of the riverboat.
- (2) Three dollars (\$3) for each person admitted to a riverboat that docks in any other county. This admission tax is imposed upon the licensed owner operating the riverboat.

As added by P.L.277-1993 (ss), SEC.124. Amended by P.L.192-2002 (ss), SEC.21; P.L.92-2003, SEC.49.

IC 4-33-12-3

Tax-free passes

Sec. 3. (a) A licensed owner or an operating agent may issue tax-free passes to the following persons:

- (1) Actual and necessary officials and employees of the licensee or operating agent.

(2) Other persons actually are working on the riverboat.

(b) The number and issuance of tax-free passes is subject to the rules of the commission. A list of all persons to whom the tax-free passes are issued must be filed with the commission.

As added by P.L.277-1993 (ss), SEC.124. Amended by P.L.92-2003, SEC.50.

IC 4-33-12-4

Payment of taxes

Sec. 4. (a) A licensed owner or an operating agent must pay the admissions taxes collected to the department. The licensed owner or operating agent must make the tax payments each day for the preceding day's admissions.

(b) The payment of the tax under this section must be on a form prescribed by the department.

(c) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(e)).

(d) If the department requires taxes to be paid under this section through electronic funds transfer, the department may allow the licensed owner or operating agent to file a monthly report to reconcile the amount of taxes paid to the department.

As added by P.L.277-1993 (ss), SEC.124. Amended by P.L.92-2003, SEC.51.

IC 4-33-12-5

Suspension of license or gaming operations for failure to submit payment or return

Sec. 5. The commission may suspend or revoke the license of a licensed owner or order the suspension of gaming operations of an operating agent that does not submit the payment or the tax return form within the required time.

As added by P.L.277-1993 (ss), SEC.124. Amended by P.L.92-2003, SEC.52.

IC 4-33-12-6 Version a

Disposition of tax revenue

Note: This version of section effective until 7-1-2003. See also following version of this section, effective 7-1-2003.

Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is located in a county having a population of more than one hundred ten thousand (110,000) but less than one hundred fifteen thousand (115,000); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) The county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one-dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

- (A) embarking on a gambling excursion during the quarter; or
- (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

- (A) To one (1) or more breed development funds established
By the Indiana horse racing commission under IC 4-31-11-10.
- (B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat that operates on Patoka Lake, the treasurer of state shall quarterly pay the following amounts:

- (1) The counties described in IC 4-33-1-1(3) shall receive one dollar (\$1) of the admissions tax collected for each person:
 - (A) embarking on a gambling excursion during the quarter; or
 - (B) admitted to the riverboat during the quarter (if the riverboat has implemented flexible scheduling).
This amount shall be divided equally among the counties described in IC 4-33-1-1(3).
- (2) The Patoka Lake development account established under IC 4-33-15 shall receive one dollar (\$1) of the admissions tax collected for each person:
 - (A) embarking on a gambling excursion during the quarter; or
 - (B) admitted to the riverboat during the quarter (if the riverboat has implemented flexible scheduling).
- (3) The resource conservation and development program that:
 - (A) is established under 16 U.S.C. 3451 et seq.; and
 - (B) serves the Patoka Lake area;
shall receive forty cents (\$0.40) of the admissions tax collected for each person embarking on a gambling excursion during the quarter or admitted to the riverboat during the quarter (if the riverboat has implemented flexible scheduling).
- (4) The state general fund shall receive fifty cents (\$0.50) of the admissions tax collected for each person:
 - (A) embarking on a gambling excursion during the quarter; or
 - (B) admitted to the riverboat during the quarter (if the riverboat has implemented flexible scheduling).
- (5) The division of mental health and addiction shall receive ten cents (\$0.10) of the admissions tax collected for each person:
 - (A) embarking on a gambling excursion during the quarter; or
 - (B) admitted to the riverboat during the quarter (if the riverboat has implemented flexible scheduling).
The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(d) With respect to tax revenue collected from a riverboat that
Operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the treasurer of state shall quarterly pay the following amounts:

- (1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:
 - (A) embarking on a gambling excursion during the quarter; or
 - (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;
shall be paid to the city in which the riverboat is docked.
- (2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:
 - (A) embarking on a gambling excursion during the quarter; or
 - (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked.

(3) Except as provided in subsection (k), nine cents (\$0.09) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), one cent (\$0.01) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the northwest Indiana law enforcement training center.

(5) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(6) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has

Implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(7) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long-term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(e) Money paid to a unit of local government under subsection (b)(1) through (b)(2), (c)(1), or (d)(1) through (d)(2):

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5, but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(f) Money paid by the treasurer of state under subsection (b)(3) or (d)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) Money received by the division of mental health and addiction under subsections (b)(5), (c)(5), and (d)(6):

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by

The budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(h) This subsection applies to the following:

(1) Each entity receiving money under subsection (b).

(2) Each entity receiving money under subsection (d)(1) through (d)(2).

(3) Each entity receiving money under subsection (d)(5) through (d)(7).

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) This subsection applies to an entity receiving money under subsection (d)(3) or (d)(4). The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subsection (d)(3) during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection (d)(3). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection (d)(4). The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) For state fiscal years beginning after June 30, 2002, the total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity's base year revenue as determined under subsection (h) or (i). If the treasurer of state determines that the total amount of money distributed to an entity under this section during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make a supplemental distribution to the entity under IC 4-33-13-5(f).

(k) For state fiscal years beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat admissions taxes that:

(1) exceed a particular entity's base year revenue; and

(2) would otherwise be due to the entity under this section;

to the property tax replacement fund instead of to the entity.

As added by P.L.277-1993 (ss), SEC.124. Amended by P.L.2-1995, SEC.10; P.L.54-1995, SEC.2; P.L.90-1997, SEC.2; P.L.151-2001, SEC.1; P.L.215-2001, SEC.6; P.L.178-2002, SEC.2; P.L.192-2002 (ss), SEC.23; P.L.1-2003, SEC.10.

IC 4-33-12-6 Version b

Disposition of tax revenue

Note: This version of section effective 7-1-2003. See also preceding version of this section, effective until 7-1-2003.

Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is located in a county having a population of more than one hundred ten thousand (110,000) but less than one hundred fifteen thousand (115,000); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one-dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat located in a historic hotel district, the treasurer of state shall quarterly pay the following amounts:

(1) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:

(A) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) Sixty percent (60%) shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body shall provide for the distribution of part or all of the money received under this clause to the following under a formula established by the county fiscal body:

(i) A town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(ii) A town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(2) Sixteen percent (16%) of the admissions tax collected during the quarter shall be paid in equal amounts to each town that:

(A) is located in the county in which the riverboat docks; and

(B) contains a historic hotel.

The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's tourism commission.

(3) Nine percent (9%) of the admissions tax collected during the quarter shall be paid to the historic hotel preservation commission established under IC 36-7-11.5.

(4) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(5) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the department of commerce to be used by the department for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

(A) Job creation and retention.

(B) Infrastructure, including water, wastewater, and storm water infrastructure needs.

(C) Housing.

(D) Workforce training.

(E) Health care.

(F) Local planning.

(G) Land use.

(H) Assistance to regional economic development groups.

(I) Other regional development issues as determined by the department.

(d) With respect to tax revenue collected from a riverboat that operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the city in which the riverboat is docked.

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the county in which the riverboat is docked.

(3) Except as provided in subsection (k), nine cents (\$0.09) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), one cent (\$0.01) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the northwest Indiana law enforcement training center.

(5) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the state fair commission for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(6) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21; shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(7) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(e) Money paid to a unit of local government under subsection (b)(1) through (b)(2), (c)(1) through (c)(2), or (d)(1) through (d)(2):

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(f) Money paid by the treasurer of state under subsection (b)(3) or (d)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) Money received by the division of mental health and addiction under subsections (b)(5) and (d)(6):

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(h) This subsection applies to the following:

(1) Each entity receiving money under subsection (b).

(2) Each entity receiving money under subsection (d)(1) through (d)(2).

(3) Each entity receiving money under subsection (d)(5) through (d)(7).

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) This subsection applies to an entity receiving money under subsection (d)(3) or (d)(4). The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in

subsection (d)(3) during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection (d)(3). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection (d)(4). The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) This subsection does not apply to an entity receiving money under subsection (c). For state fiscal years beginning after June 30, 2002, the total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity's base year revenue as determined under subsection (h) or (i). If the treasurer of state determines that the total amount of money distributed to an entity under this section during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make a supplemental distribution to the entity under IC 4-33-13-5(g).

(k) This subsection does not apply to an entity receiving money under subsection (c). For state fiscal years beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat admissions taxes that:

- (1) exceed a particular entity's base year revenue; and
- (2) would otherwise be due to the entity under this section; to the property tax replacement fund instead of to the entity.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.2-1995, SEC.10; P.L.54-1995, SEC.2; P.L.90-1997, SEC.2; P.L.151-2001, SEC.1; P.L.215-2001, SEC.6; P.L.178-2002, SEC.2; P.L.192-2002(ss), SEC.23; P.L.1-2003, SEC.10; P.L.92-2003, SEC.53.

IC 4-33-12-6.2

Repealed

(Repealed by P.L.192-2002(ss), SEC.190.)

IC 4-33-13

Chapter 13. Wagering Taxes

IC 4-33-13-1

Adjusted gross receipts tax; rate; payment; inapplicability to flexible scheduling

Sec. 1. (a) This section does not apply to a riverboat that has implemented flexible scheduling under IC 4-33-6-21.

(b) Subject to section 1.5(h) of this chapter, a tax is imposed on the adjusted gross receipts received from gambling games authorized under this article at the rate of twenty-two and five-tenths percent (22.5%) of the amount of the adjusted gross receipts.

(c) The licensed owner shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made.

(d) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(e)).

(e) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner to file a monthly report to reconcile the amounts remitted to the department.

(f) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.192-2002(ss), SEC.24; P.L.224-2003, SEC.45

IC 4-33-13-1.5 Version a

Graduated adjusted gross receipts tax; applicability to flexible scheduling

Note: This version of section amended by P.L.224-2003, SEC.46. See also following version of this section amended by P.L.92-2003, SEC.54.

Sec. 1.5. (a) This section applies only to a riverboat that has implemented flexible scheduling under IC 4-33-6-21.

(b) A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:

(1) Fifteen percent (15%) of the first twenty-five million dollars (\$25,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.

(2) Twenty percent (20%) of the adjusted gross receipts in excess of twenty-five million dollars (\$25,000,000) but not exceeding fifty million dollars (\$50,000,000) received during the period beginning

July 1 of each year and ending June 30 of the following year.

(3) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars (\$50,000,000) but not exceeding seventy-five million dollars (\$75,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(4) Thirty percent (30%) of the adjusted gross receipts in excess of seventy-five million dollars (\$75,000,000) but not exceeding one hundred fifty million dollars (\$150,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(5) Thirty-five percent (35%) of all adjusted gross receipts in excess of one hundred fifty million dollars (\$150,000,000).

(c) The licensed owner shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made.

(d) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

(e) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner to file a monthly report to reconcile the amounts remitted to the department.

(f) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12.

(g) If a riverboat implements flexible scheduling during any part of a period beginning July 1 of each year and ending June 30 of the following year, the tax rate imposed on the adjusted gross receipts received while the riverboat implements flexible scheduling shall be computed as if the riverboat had engaged in flexible scheduling during the entire period beginning July 1 of each year and ending June 30 of the following year.

(h) If a riverboat:

(1) implements flexible scheduling during any part of a period beginning July 1 of each year and ending June 30 of the following year; and

(2) before the end of that period ceases to operate the riverboat with flexible scheduling; the riverboat shall continue to pay a wagering tax at the tax rates imposed under subsection (b) until the end of that period as if the riverboat had not ceased to conduct flexible scheduling.

As added by P.L.192-2002(ss), SEC.25. Amended by P.L.224-2003, SEC.46.

IC 4-33-13-1.5 Version b

Graduated wagering tax applied to riverboats implementing flexible scheduling

Note: This version of section amended by P.L.92-2003, SEC.54. See also preceding version of this section amended by P.L.224-2003, SEC.46.

Sec. 1.5. (a) This section applies only to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 or IC 4-33-6.5.

(b) A graduated tax is imposed on the adjusted gross receipts received from gambling games authorized under this article as follows:

(1) Fifteen percent (15%) of the first twenty-five million dollars

(\$25,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.

(2) Twenty percent (20%) of the adjusted gross receipts in excess of twenty-five million dollars (\$25,000,000) but not exceeding fifty million dollars (\$50,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(3) Twenty-five percent (25%) of the adjusted gross receipts in excess of fifty million dollars (\$50,000,000) but not exceeding seventy-five million dollars (\$75,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(4) Thirty percent (30%) of the adjusted gross receipts in excess of seventy-five million dollars (\$75,000,000) but not exceeding one hundred fifty million dollars (\$150,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(5) Thirty-five percent (35%) of all adjusted gross receipts in excess of one hundred fifty million dollars (\$150,000,000).

The tax rates imposed under this section apply to adjusted gross receipts received beginning the date flexible scheduling is implemented under IC 4-33-6-21.

(c) The licensed owner or operating agent shall remit the tax imposed by this chapter to the department before the close of the business day following the day the wagers are made.

(d) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

(e) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensed owner or operating agent to file a monthly report to reconcile the amounts remitted to the department.

(f) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under IC 4-33-12.

As added by P.L.192-2002(ss), SEC.25. Amended by P.L.92-2003, SEC.54.

IC 4-33-13-5 Version a

Disposition of tax revenue

Note: This version of section effective until 7-1-2003. See also following version of this section, effective 7-1-2003.

Sec. 5. (a) After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) The first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (d).

(2) Subject to subsection (b), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000);

(B) in equal shares to the counties described in IC 4-33-1-1(3), in the case of a riverboat whose home dock is on Patoka Lake; or

(C) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A) or a county described in clause (B).

(3) Subject to subsection (c), the remainder of the tax revenue remitted by each licensed owner shall be paid to the property tax replacement fund.

(b) For each city and county receiving money under subsection (a)(2)(A) or (a)(2)(C), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat wagering taxes that:

(1) exceeds a particular city or county's base year revenue; and

(2) would otherwise be due to the city or county under this section; to the property tax replacement fund instead of to the city or county.

(c) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the property tax replacement fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars (\$250,000,000):

(1) Surplus lottery revenues under IC 4-30-17-3.

(2) Surplus revenue from the charity gaming enforcement fund under IC 4-32-10-6.

(3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the property tax replacement fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the property tax replacement fund from the transfers under subsection (a)(3) for the state fiscal year.

(d) Before August 15 of 2003 and each year thereafter, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (g), the county auditor shall

distribute the money received by the county under this subsection as follows:

- (1) To each city located in the county according to the ratio the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.
- (e) Money received by a city, town, or county under subsection (d) or (g) may be used for any of the following purposes:
 - (1) To reduce the property tax levy of the city, town, or county for a particular year. A property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.
 - (2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for additional credits for property tax replacement in property tax increment allocation areas or debt repayment.
 - (3) To fund sewer and water projects, including storm water management projects.
 - (4) For police and fire pensions.
 - (5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.
- (f) Before September 15 of 2003 and each year thereafter, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-6), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the property tax replacement fund. The amount of the supplemental distribution is equal to the difference between the entity's base year revenue (as determined under IC 4-33-12-6) and the total amount of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6.
- (g) This section applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (d) as follows:
 - (1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.
 - (2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.
 - (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.2-1995, SEC.11; P.L.25-1995, SEC.7; P.L.273-1999, SEC.44; P.L.186-2002, SEC.11; P.L.178-2002, SEC.3; P.L.192-2002(ss), SEC.26; P.L.185-2003, SEC.1.

IC 4-33-13-5 Version b

Disposition of tax revenue

Note: This version of section effective 7-1-2003. See also preceding version of this section, effective until 7-1-2003.

Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

- (1) The first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).
- (2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:
 - (A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:
 - (i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the property tax replacement fund. In each state fiscal year beginning after June 30, 2003, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the property tax replacement fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter as follows:

(1) Thirty-seven and one half percent (37.5%) shall be paid to the property tax replacement fund established under IC 6-1.1-21.

(2) Thirty-seven and one-half percent (37.5%) shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b). However, at any time the balance in that fund exceeds twenty million dollars (\$20,000,000), the amount described in this subdivision shall be paid to the property tax replacement fund established under IC 6-1.1-21.

(3) Five percent (5%) shall be paid to the historic hotel preservation commission established under IC 36-7-11.5.

(4) Ten percent (10%) shall be paid in equal amounts to each town that:

(A) is located in the county in which the riverboat docks; and

(B) contains a historic hotel.

The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's tourism commission.

(5) Ten percent (10%) shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:

(A) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) Sixty percent (60%) shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body shall provide for the distribution of part or all of the money received under this clause to the following under a formula established by the county fiscal body:

(i) A town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(ii) A town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(c) For each city and county receiving money under subsection (a)(2)(A) or (a)(2)(C), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed

the entity's base year revenue. For each state fiscal year beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat wagering taxes that:

- (1) exceeds a particular city or county's base year revenue; and
 - (2) would otherwise be due to the city or county under this section;
- to the property tax replacement fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the property tax replacement fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars (\$250,000,000):

- (1) Surplus lottery revenues under IC 4-30-17-3.
- (2) Surplus revenue from the charity gaming enforcement fund under IC 4-32-10-6.
- (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the property tax replacement fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the property tax replacement fund from the transfers under subsection (a)(3) for the state fiscal year.

(e) Before August 15 of 2003 and each year thereafter, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

- (1) To each city located in the county according to the ratio the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio the town's population bears to the total population of the county.
- (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

- (1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5);
- (2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for additional credits for property tax replacement in property tax increment allocation areas or debt repayment.
- (3) To fund sewer and water projects, including storm water management projects.
- (4) For police and fire pensions.
- (5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

(g) This subsection does not apply to an entity receiving money under IC 4-33-12-6(c). Before September 15 of 2003 and each year thereafter, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-6), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the property tax replacement fund. The amount of the supplemental distribution is equal to the difference between the entity's base year revenue (as determined under IC 4-33-12-6) and the total amount of money distributed to the entity during the preceding state fiscal year under IC 4-33-12-6.

(h) This section applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (d) as follows:

- (1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.
- (2) To each town located in the county according to the ratio that the town's population bears to the total

population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.2-1995, SEC.11; P.L.25-1995, SEC.7; P.L.273-1999, SEC.44; P.L.186-2002, SEC.11; P.L.178-2002, SEC.3; P.L.192-2002(ss), SEC.26; P.L.185-2003, SEC.1; P.L.92-2003, SEC.55; P.L.224-2003, SEC.47.

IC 4-33-14

Chapter 14. Minority and Women Business Participation

IC 4-33-14-5

Goods and services; contracts awarded to minority and women's business enterprises

Sec. 5. (a) As used in this section, "goods and services" does not include the following:

- (1) Utilities and taxes.
- (2) Financing costs, mortgages, loans, or other debt.
- (3) Medical insurance.
- (4) Fees and payments to a parent or an affiliated company of an operating agent or the person holding an owner's license, other than fees and payments for goods and services supplied by nonaffiliated persons through an affiliated company for the use or benefit of the operating agent or the person holding the owner's license.
- (5) Rents paid for real property or payments constituting the price of an interest in real property as a result of a real estate transaction.

(b) Notwithstanding any law or rule to the contrary, the commission shall establish annual goals for an operating agent or a person issued an owner's license:

- (1) for the use of minority and women's business enterprises; and
- (2) derived from a statistical analysis of utilization study of licensee and operating agent contracts for goods and services that are required to be updated every five (5) years.

An operating agent or a person holding an owner's license shall submit annually to the commission a report that includes the total dollar value of contracts awarded for goods or services and the percentage awarded to minority and women's business enterprises.

(c) An operating agent or a person holding an owner's license shall make a good faith effort to meet the requirements of this section and shall annually demonstrate to the commission that an effort was made to meet the requirements.

(d) An operating agent or a person holding an owner's license may fulfill not more than seventy percent (70%) of an obligation under this chapter by requiring a vendor to set aside a part of a contract for minority or women's business enterprises. Upon request, the licensee or operating agent shall provide the commission with proof of the amount of the set aside.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.195-2001, SEC.12; P.L.92-2003, SEC.56

IC 4-33-14-6

Enforcement

Sec. 6. If the commission determines that the provisions of this chapter relating to expenditures and assignments to minority and women's business enterprises have not been met, the commission may suspend, limit, or revoke the owner's license or operating agent's gaming operations, or may fine or impose appropriate conditions on the licensee or operating agent to ensure that the goals for expenditures and assignments to minority and women's business enterprises are met. However, if a determination is made that a person holding an owner's license or an operating agent has failed to demonstrate compliance with this chapter, the person has ninety (90) days from the date of the determination of noncompliance to comply.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.57.

IC 4-33-14-8

List of certified enterprises

Sec. 8. The commission shall supply persons holding owner's licenses and the operating agent with a list of the minority and women's business enterprises the commission has certified under section 7 of this chapter. The commission shall review the list annually to determine the minority and women's business enterprises that should continue to be certified. The commission shall establish a procedure for challenging the designation of a certified minority and women's business enterprise. The procedure must include proper

notice and a hearing for all parties concerned.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.92-2003, SEC.58.

IC 4-33-18-8

Annual fees

Sec. 8. The department shall impose an annual fee of twenty-five thousand dollars (\$25,000) upon the following:

- (1) Each licensed owner or operating agent operating a riverboat in Indiana.
- (2) Each permit holder (as defined in IC 4-31-2-14) operating a live pari-mutuel horse racing facility in Indiana.

As added by P.L.192-2002(ss), SEC.27. Amended by P.L.92-2003, SEC.59.